



# Security Bank

Waconia • Chaska • Mayer • New Germany

September 16, 2005

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Dorrell  
(D. Promani)

John F. Carter  
Regional Director  
FDIC San Francisco Regional Office  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, California 94105

**RE: Wal-Mart Stores, Inc. FDIC Application #20051977**

Dear Mr. Carter,

Security Bank Waconia opposes the Wal-Mart Stores, Inc. application for deposit insurance for its pending Utah ILC.

Security Bank Waconia is a community bank with \$145 million in assets which has a main bank and 4 branches that serve many small communities. Numerous small towns and communities have experienced devastating loss of locally-owned and operated retailers after a Wal-Mart establishes a store in their town. Just like local retailers in towns where Wal-Mart has located, local community banks will no longer be able to compete.

A Wal-Mart owned bank will not be able to look at other factors beyond a consumer's credit score to understand the customer's individual circumstances and cannot make the consumer a loan based on a long-standing relationship and personal knowledge of the customer – something our bank does as well as other community banks do every day.

Furthermore, there is the danger that Wal-Mart will export deposits out of the local community. This has been the current pattern of the large retailer when it establishes itself in a local community. This pattern in the past has had a devastating effect on local communities as retail dollars spent in the community are exported elsewhere and do not remain in the community to support local lending and economic development.

Security Bank Waconia urges the FDIC to reject Wal-Mart's application for federal deposit insurance for a Wal-Mart ILC.

Sincerely,

Keith Peters  
President  
Security Bank Waconia

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